

**SUBJECT:** MULTI-FAMILY NEIGHBORHOODS ZONE TEXT AMENDMENTS:  
AMEND MINIMUM DENSITY REQUIREMENTS FOR R3 AND R4  
DISTRICTS; AMEND THE DENSITY BONUS CONCESSION  
MENU; AND STREAMLINE THE REVIEW PROCESS FOR  
CERTAIN RESIDENTIAL DEVELOPMENT PROJECTS.

**INITIATED BY:** **COMMUNITY DEVELOPMENT DEPARTMENT**  
(John Keho, AICP, Interim Director) *JK*  
(Bianca Siegl, Long Range & Mobility Planning Manager) *BS*  
(Rachel Dimond, AICP, Senior Planner)

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**STATEMENT ON THE SUBJECT:**

The City Council will hold a public hearing to consider an amendment to the Zoning Ordinance to eliminate the requirement to build to 90% of allowable density in R3 and R4 Districts, amend the density bonus concession menu to roll the height concession into the "other concessions" category, and to streamline the review process for multi-family residential projects.

**RECOMMENDATIONS:**

Staff recommends the City Council hold a public hearing, listen to all pertinent testimony, and introduce on first reading:

1. Ordinance No. 18-XXXX: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD, APPROVING A ZONE TEXT AMENDMENT AMENDING PORTIONS OF TITLE 19, ZONING ORDINANCE, TO AMEND THE 90% DENSITY REQUIREMENTS FOR R3 AND R4 DISTRICTS; TO AMEND THE DENSITY BONUS CONCESSION MENU; AND TO AMEND THE APPLICABLE REVIEWING BODIES IN THE DEVELOPMENT REVIEW PROCESS, WEST HOLLYWOOD, CALIFORNIA. (ATTACHMENT A)**

**BACKGROUND / ANALYSIS:**

In 2015, staff proposed to the City Council a study of multi-unit zoning districts in response to a number of projects that, although in compliance with the Zoning Code and development standards, had prompted significant community concern. The Council concurred with the need for the study and in subsequent months approved the hiring of a consultant team, including Raimi + Associates, FM3, and Cerrell Associates, to gather and analyze data, an outreach team and engagement plan to ensure community participation, and ultimately the use of a telephone and online survey as a means to gather data on the community's thoughts and preferences about multi-unit development. In response to concerns regarding redevelopment in multi-family neighborhoods, a 2016 survey of West Hollywood residents was conducted and indicated the need for

affordable housing while identifying concerns regarding neighborhood compatibility of new buildings. Primary concerns regarding redevelopment in the City's densest residential neighborhoods included design compatibility, traffic, and construction impacts.

On April 17, 2017, Staff presented the City Council with a number of policy options to pursue in order to address development concerns, including immediate actions, and activities to evaluate.. These included the following:

- Group A: Immediate Actions:
  - A1: Create Multi-Unit Neighborhood Design Guidelines
  - A2: Amend 90% Density Requirement
  - A3: Allow Townhouse Subdivisions
  - A4: Neighborhood Traffic Management Program
  - A5: Construction Impacts Management
  
- Group B: Actions to Evaluate and Return to Council with Analysis:
  - B1: Incentivize smaller projects by allowing for staff approval
  - B2: Limit heights in R3 and R4 to 3 stories
  - B3: Height Averaging
  - B4: Evaluate parking requirements
  - B5: Housing typology study

The City Council directed staff to proceed with the following:

- 1) Move forward with a planning process to evaluate and develop the following recommendations: A1: Multi-Unit Neighborhood Design Guidelines, A2: Amend 90% Density Requirement, B2: Limit heights in R3 and R4, B3: Height Averaging, and B4: Evaluate parking requirements; and
- 2) Initiate the process to prepare Multi-Unit Neighborhood Design Guidelines as part of the amended contract with Raimi + Associates; and
- 3) Select and convene a Task Force comprised of members of the community to provide feedback on key topics.

Staff returned to the City Council on May 15, 2017 with a contract amendment to address the directives above. However, this item was tabled to continue the discussion during an already scheduled Community Development Department work plan item at a City Council study session on July 17, 2017. At this discussion, the City Council directed staff to further streamline the project and move forward with a specific list of targeted zone text amendments to address the major concerns identified in the survey. The key directives from City Council focused on the following changes to zoning policy in multi-family neighborhoods:

1. Eliminate the existing 90% density requirement;
2. Address height of new development in R3 and R4; and

3. Streamline the development review process to incentivize projects that do not request height bonuses.

The following zone text amendments address these three items, with alternatives provided in the event the City Council requests a different route in achieving similar goals.

### **Eliminate 90% Density Requirements**

**Issue:** New buildings in the R3 and R4 Zone Districts are currently required to build a minimum of 90% of the maximum density (number of units) allowed on a site. The 90% density requirement limits the redevelopment of certain sites that cannot accommodate denser projects due to site constraints. It also limits developers to building larger projects that, in some cases, may not be compatible with the surrounding neighborhood.

**Background:** In 2009, the City established a requirement for all proposed development projects in the R3 and R4 Districts to maximize the number of dwelling units by requiring that new development projects construct at least 90% of the maximum number of units allowed. For example, lots that are permitted a maximum of 20 units by zoning standards were required to build a minimum of 18 units when redeveloping a site. At the same time, the City also established a maximum average unit size requirement in the R3 and R4 Districts to limit the size of dwelling units. The purpose of these requirements were to ensure that the City's high-density residential zones were in fact utilized for high density development, which would help to meet the City's housing goals, prevents the loss of units, and encourage smaller units, helping to maintain adequate housing supply and potentially reduce housing costs.

The State's density bonus law requires cities to allow projects that provide a certain amount of affordable housing to get a bonus in the form of an increase in the allowable number of units. Since the 90% density requirement was enacted for R3 and R4 Districts, projects regularly build over 100% of the density requirement with the utilization of the state density bonus law. For example, if a project is permitted a maximum of 20 units by zoning standards, and that project provides 20% affordable units, or 4 units, as required by the City of West Hollywood, per State density bonus law, that project is eligible for up to a 35% increase in the overall number of units, or 7 additional units, for a total of 27 units. The additional units could be market rate units, so this project would include 4 affordable units and 23 market rate units.

**Solution:** The Zone Text Amendment proposes the following:

1. Eliminate the 90% density requirement
2. Establish a new requirement to prohibit a net loss of dwelling units on site, or require developers to build the maximum number of units allowed by zoning, whichever is less
3. Allow for the Director to waive no net loss requirements under unusual circumstances

The elimination of the 90% density requirement will allow developers to select the number of units to develop on a site, with more flexibility in the range of units. This will allow developers more flexibility when designing projects to fit the neighborhood. Elimination of the 90% density requirement will also allow redevelopment of complex sites that cannot accommodate parking for higher density projects. The maximum average unit size (1,400 SF in R3 and 1,210 SF in R4) will remain in place and will serve as a control to ensure developers do not build a small number of very large units, thus in contrast to the City's housing goals.

The proposed regulation to replace the 90% density requirement would require no net loss of existing units, or the maximum allowed by zoning, whichever is greater. For example, if a property has 10 units, and zoning regulations allow a maximum of 12 units, redevelopment of the site would require a minimum of 10 units to be built for no net loss in dwelling units. If zoning allowed only 5 units while the existing building had 10 units, the redevelopment of the site would require 5 units, which is 100% of allowable dwelling units. In this case, the requirement is actually higher than the existing 90% minimum density requirement.

The following summarizes the current and proposed regulations:

	<b>Current Regulations</b>	<b>Proposed Regulations</b>
<b>Base Density</b>	R3: 1 unit/1,210 SF lot area R4: 1 unit/ 872 SF lot area	No change
<b>Density</b>	Require 90% of maximum allowed by zoning when all units are demolished	No net loss in units -OR- maximum density, whichever is less (Director may waive for unusual circumstances)
<b>Max Average Unit Size</b>	R3: 1,500 SF R4: 1,200 SF	No change

Planning Commission Recommendation: The Planning Commission recommended that the provision to allow the director to waive the no net loss requirement under unusual circumstances be struck from the proposed Zone Text Amendment. This means that any request to waive this requirement would be done through the variance process, which requires Planning Commission review and specific findings for approval. This would require proof of a physical hardship on the site to obtain a variance.

However, there are circumstances outside a physical hardship on the site that could exist that would make a project infeasible. For example, many R3 and R4 sites that have not been redeveloped because of the 90% density requirement are limited in their ability to provide parking on one level. They could build two subterranean parking levels, but this typically increases cost dramatically due to excavation and breaching the water table and may not rise to the level of physical hardship. The proposed ordinance language includes the Director waiver as originally recommended by staff.

R3C-C and R4B-C District Zone Text Amendments: Also on the January 16, 2018 agenda, the City Council is considering an amendment to the Zoning Ordinance to establish the R3C-C and R4B-C Districts identified in the General Plan. These two items address overlapping sections in the Zoning Ordinance. Initially, the recommendation was to eliminate the minimum density requirement in R3C-C and reduce the minimum density requirement in the R4B-C to 70% if there is commercial on the ground floor or live/work units. However, should the Council approve the elimination of all minimum density requirements in R3 and R4 Districts (Attachment A), as described in the preceding section and recommended by the Planning Commission, the Zoning Ordinance will be amended as such, and the minimum density requirements for the R3C-C and R4B-C districts would be eliminated as well. As a result, there is no mention of the R3C-C and R4B-C Districts specifically in the language proposed in Attachment A.

### Density Alternatives:

1. Amend the minimum density to a lower percentage, such as 50% or 70% of maximum allowable density. This compromise would allow for slightly smaller buildings to be built, but would still further the City's goal of building more housing within the City. Reducing the minimum density could lower the number of total new units constructed, but would still create a baseline minimum to ensure larger properties were generating net new units. Because most buildings in R3 and R4 Zones have less units than allowed by zoning, lowering the percentage of maximum allowable density is likely to result in more units than only a no net loss policy.
2. Eliminate proposed provision to require no net loss in housing. In many cases, existing buildings are built to maximum density, or have a legally nonconforming number of units (more than zoning would allow today), as they were built before Cityhood. If we require no net loss of units, as proposed, redevelopment of residential properties would be required to provide the same number of units as existing on the site, or the maximum number of units allowed by zoning, whichever is less. Eliminating this provision will allow a developer to decide the right number of units appropriate for the site, but could result in a loss of housing units within the City. Further, if the minimum density is lowered per the above alternative, the no net loss in units would be eliminated.
3. Eliminate the Director waiver, as recommended by Planning Commission: This would require any net loss in units to be reviewed as a variance by the Planning Commission, and would require proof of a physical hardship on the site.

### Height in R3 and R4

Issue: The General Plan establishes certain height requirements in the R3 and R4 Districts, as reflected in the Zoning Ordinance. However, many development projects take advantage of the State's affordable housing incentive of an additional story on a building, which results in buildings that are taller than contemplated in the General Plan.

Background: The maximum number of stories allowed in the R3 and R4 Zoning Districts is between two and four stories. R3 and R4 Zones are split into multiple sub-districts, which vary in allowable height but maintain the base R3 and R4 allowable density. Height is dictated in the Zoning Ordinance as follows:

<b>Zone District</b>	<b>Maximum Height</b>	<b>Permitted Number of Stories</b>
<b>R3-A</b>	25 feet	2 stories
<b>R3-B</b>	35 feet	3 stories
<b>R3-C</b>	45 feet	4 stories
<b>R4-A</b>	35 feet	3 stories
<b>R4-B</b>	45 feet	4 stories

State density bonus law requires that projects that meet certain affordable housing requirements on site be granted concessions to help the project incorporate affordable housing. Pursuant to State law, projects in West Hollywood that utilize the state density bonus are eligible for certain additional concessions, including a reduction in setbacks and open space, or an increase in height by one story or 10 feet. Projects that utilize the additional height concession, thus allowing up to five stories in R3 and R4, have become a source of concern for some community members, as these projects may be taller and incorporate much greater mass than anticipated by the General Plan.

Solution: In order to address height in R3 and R4, staff wanted to identify the root of the issue, which is the provision of the extra story through the affordable housing concessions. In the current Zoning Ordinance, the extra story is the first concession listed, thus highlighting this as the primary option to developers. As a result, staff recommends amending the concessions list to remove the listing of height and roll it into the “other concessions” category. This would allow the City to highlight setback and open space concessions as the first available options to developers, which are likely to have a lesser impact on established neighborhoods. Concessions like a height bonus must still be available per state law, and will be captured by the “other concessions” category. Further, the “other concessions” category would also be amended as allowed per state law, to clarify that other concessions are available if they result in “identifiable and actual cost reductions to provide for affordable housing costs or for rents for the affordable units as specified in Government Code Section 65915.” This change reflects a recent amendment from the state law. Staff is processing more comprehensive revisions to Chapter 19.22 that reflect other recent changes to state law; but, this change was a simple change that could be implemented immediately while revising this section.

In order to further incentivize projects that utilize setback and open space concessions rather than the height concession, projects of a certain size that utilize the setbacks and

open space concessions can be streamlined and reviewed at the Director level. This means that projects that utilize the height concession or “other concessions” would be automatically reviewed by the Planning Commission. This will ensure that projects with increased height have a public hearing, but will not preclude such projects or such concessions in any way. All development projects are reviewed by the Urban Designer for compatibility with the neighborhood, and to ensure a strong architectural language and design. All projects reviewed by Planning Commission are additionally reviewed by the Design Review subcommittee, providing an additional layer of design review for buildings with increased height.

**Planning Commission Recommendation:** The Planning Commission recommended that an additional story be mentioned in the “other concessions” category. Any utilization of this concession, which includes the additional story AND any other concession, would be reviewed by the Planning Commission. This language is reflected in the proposed Ordinance.

**Alternatives:**

1. Reduce height in R3 and R4: In order to ensure that new buildings would not exceed four stories, the City could lower the allowable height of the R3-C and R4-B Districts to allow only three stories or 35 feet in height. Projects that request an extra story through the State affordable housing concession would then be permitted to build up to four stories maximum. Should the Council direct staff to pursue this alternative, staff would return with a General Plan Amendment and Zone Text Amendment.
2. Require the floor area of the uppermost floor to be only 75% of the total floor area of the floor below. This would minimize the visual impact of the uppermost floor. Should the Council direct staff to pursue this alternative, staff would return with an amended ordinance.

**Streamline the Development Review Process**

**Issue:** The entitlement process for development in West Hollywood is complex, with most projects reviewed by the Planning Commission. Projects that are reviewed by Planning Commission typically take at least one to two months longer to review than those that are administratively reviewed. At the same time, the City wants to encourage smaller projects in the R3 and R4 Districts.

**Background:** All projects go through the initial development review process, where staff reviews the project application for completeness and compliance with applicable zoning regulations and the General Plan, and routes the project to other departments for comment and review. The project also goes through administrative design review, with review by the Urban Designer typically conducted early on in the application submittal process. The Urban Designer works with the project planner and meets with the applicant and project architect to improve the quality of project design and neighborhood compatibility. Projects with five or more residential units are required to

have a neighborhood meeting within 60 days of application, and mailers are sent to all properties within a 500 foot radius. Projects that are administratively approvable will have a public notice posted on the site, providing 10 days for public comment. This public comment is conveyed to the developer, and major issues are worked out prior to an administrative approval. Administrative approvals typically take between two and three months from application completeness. Projects that are administratively reviewed can be appealed to the Planning Commission, and that decision can be appealed to the City Council.

Projects that require review by the Planning Commission have a required neighborhood meeting, and then go on to the Design Review Subcommittee, followed by formal review by the Planning Commission. Neighbors within a 500 foot radius are sent a mailed notice, and a public notice is posted to the site 28 days in advance of the public hearing. This process typically takes 90 days from application completeness, with the Permit Streamlining Act allowing up to one extension for a total review period of 180 days. Projects reviewed by the Planning Commission can be appealed to the City Council. These timelines do not take into account environmental review.

Additionally, condominium projects are automatically reviewed by Planning Commission regardless of size, due to State law requirements that subdivision maps are reviewed by Planning Commission. In some cities, these applications are separated, so certain development permits are reviewed either administratively or by the Planning Commission, while the condominium maps is automatically reviewed by the Planning Commission (with final maps reviewed by the City Council).

Solution: In order to address the directive to streamline the development review process for certain projects, staff recommends administrative review be permitted for slightly larger projects. Coupled with the elimination of the 90% minimum density requirement, this proposed solution of increasing the administrative review threshold may push developers to make projects slightly smaller to fall under administrative review. This would address both the issue of streamlining the review process and encouraging smaller projects through that streamlining. Below is a chart that compares the current to proposed regulations:

	Current Regulations	Proposed Regulations
Staff Review	<ul style="list-style-type: none"> <li>• 4 or fewer units in R1, R2, R3, except condominiums</li> <li>• 8 or fewer units (or 9 units with 1 inclusionary) in R4, except condominiums</li> </ul>	<ul style="list-style-type: none"> <li>• All R1 and R2</li> <li>• 6 or fewer units in R3</li> <li>• 10 or fewer units in R4</li> </ul>



Planning Commission Review	<ul style="list-style-type: none"> <li>• More than 4 units in R1, R2, R3</li> <li>• 9 or more units (10 or more if at least 1 is inclusionary) in R4 zones</li> <li>• Residential condominiums</li> </ul>	<ul style="list-style-type: none"> <li>• 7 or more units in R3 zones</li> <li>• 11 or more units in R4 zones</li> <li>• Residential condominiums</li> </ul>
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Staff recommends increasing the number of units administratively approved in the R3 District to 6 units (previously 4 or less). The reason for proposing the 6 unit threshold is because it represents the maximum base density for a 7500 square foot lot (1 unit/ 1210 sf of lot area), which is typical for the R3 District. The 10 unit threshold for administrative review in R4 was suggested by the Planning Commission, as buildings with 10 or less units do not have to provide on-site affordable housing.

Planning Commission Recommendation: The Planning Commission recommended that the threshold for administrative review in the R4 District be changed to 10 or fewer units, because these projects do not require on-site affordable housing. This recommendation is reflected in the proposed ordinance.

Initially, Staff recommended that subdivisions be reviewed separately from development permits, allowing the development permit to be reviewed according to the unit threshold, and all subdivisions (such as condominium maps) to be reviewed separately by the Planning Commission. The Planning Commission recommended against allowing subdivisions to be reviewed separately, as they were concerned with the potential confusion over what aspects of a project could be reviewed by the Commission versus staff, especially at public hearings. The proposed ordinance reflects Planning Commission recommendation to maintain status quo and have condominium projects reviewed by the Planning Commission. However, projects that submit a development permit first, then a subdivision map at a later date would still be able to be reviewed separately, as is also the current practice.

Alternatives:

1. Expand noticing requirements: While this is not an alternative, the Planning Commission recommended staff look into expanded noticing requirements for administratively approved projects, including sending a mailed notice to neighbors. This would allow people to receive information in the mail in order to provide public comment on projects that do not have public hearings. Recently, the City Council requested a more rigorous sliding scale notification for development projects, and this alternative could expand on that request.
2. Amend size of projects that may be administratively approved: In general, the recommended Zoning Ordinance amendment does not dramatically modify the project size (number of units) that may be reviewed administratively. Staff originally recommended to the Planning Commission increasing the number of units administratively reviewed in the R4 District to 12 units. Council could elect

to increase this number to incentivize smaller projects and discourage combination of lots for redevelopment.

3. Allow subdivision maps to be reviewed separately from development permits: Staff originally recommended to the Planning Commission that subdivision maps and development permits be separated, with the development permit reviewed using the thresholds described in the table above, and all subdivision maps going to Planning Commission and City Council as required by state law. This could result in many proposed developments being reviewed at the staff level while only the subdivision map would be subject to a public hearing. However, the Planning Commission recommended this be eliminated, as it causes confusion to the public. The City Council could elect to allow condominium maps to be reviewed separately, thus streamlining the review of certain development permits. In many cases, developers do not submit their subdivision map requests concurrently, so separate review already occurs in some instances.

### **CONFORMANCE WITH VISION 2020 AND THE GOALS OF THE WEST HOLLYWOOD GENERAL PLAN:**

- PSG-1: Maintain the City's Unique Urban Balance with Emphasis on Residential Neighborhood Livability.
- PSG-2: Affordable Housing.

In addition, this item is compliant with the following goal(s) of the West Hollywood General Plan:

- LU-1: Maintain an urban form and land use pattern that enhances quality of life and meets the community's vision for its future.
- LU-9: Encourage multi-family residential neighborhoods that are well maintained and landscaped, and include a diversity of housing types and architectural designs.

### **EVALUATION PROCESSES:**

N/A

### **ENVIRONMENTAL SUSTAINABILITY AND HEALTH:**

The zone text changes are Categorical Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. No possibility exists that the proposed zone text amendments will have a significant effect on the environment. Specifically, the elimination of the 90% density rule will allow smaller buildings, which will have a reduced impact on the environment than the projects that are currently required by mandating projects build to 90% of the permitted density. The change to the density

bonus concessions only makes administrative changes regarding the review authority for on-menu and off-menu concessions. All bonuses and concessions provided for under state law remain available. Furthermore, the change to review authority would not result in any change to projects, but would instead regulate who approves certain projects, which is an administrative change.

**COMMUNITY ENGAGEMENT:**

Staff presented the proposed code amendments to the Government Affairs Committee of the West Hollywood Chamber of Commerce in November. Further, members of the public weighed in on this item at the Long Range Planning Subcommittee of the Planning Commission and at the Planning Commission public hearing. The City published a legal notice in the Beverly Press and West Hollywood Independent on January 4, 2018.

**OFFICE OF PRIMARY RESPONSIBILITY:**

COMMUNITY DEVELOPMENT DEPARTMENT / LONG RANGE & MOBILITY  
PLANNING DIVISION

**FISCAL IMPACT:**

N/A

**ATTACHMENTS:**

- A. Draft Ordinance 18-XXXX
- B. Index of Zoning Code Changes
- C. Planning Commission Report dated November 16, 2017 with attachments
- D. November 16, 2017 Planning Commission Meeting Minutes
- E. Planning Commission Resolution 17-1235

## **ORDINANCE NO. 18- XXXX**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD, APPROVING A ZONE TEXT AMENDMENT AMENDING PORTIONS OF TITLE 19, ZONING ORDINANCE, TO AMEND THE 90% DENSITY REQUIREMENTS FOR R3 AND R4 DISTRICTS; TO AMEND THE DENSITY BONUS CONCESSION MENU; AND TO AMEND THE APPLICABLE REVIEWING BODIES IN THE DEVELOPMENT REVIEW PROCESS, WEST HOLLYWOOD, CALIFORNIA.**

The City Council for the City of West Hollywood hereby finds, resolves, and orders as follows:

SECTION 1. On June 5, 2017, the City Council directed staff to address concerns in the community regarding development projects in multi-family zoned neighborhoods. Council directed staff to reduce the 90% density requirements for the R3 and R4 Districts, streamline the development review process for certain projects, and to address height in R3 and R4 zones.

SECTION 2. A public hearing was duly noticed for the Planning Commission meeting of November 16, 2017 by publication in the Beverly Press newspaper, the West Hollywood Independent Newspaper, and the City website and by announcement on City Channel 6 by November 2, 2017. The Planning Commission held a public hearing on November 16, 2017, and directed staff to return with a resolution recommending approval of the Zone Text Amendment with changes. The resolution was approved on the consent calendar on November 30, 2017.

SECTION 3. A public hearing was duly noticed for the City Council special meeting of January 16, 2018 by publication in the Beverly Press newspaper, the West Hollywood Independent Newspaper, and the City website and by announcement on City Channel 6 by January 4, 2018. The City Council held a public hearing on January 16, 2018.

SECTION 4. The zone text changes are Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The zone text changes are Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. No possibility exists that the proposed zone text amendments will have a significant effect on the environment. Specifically, the elimination of the 90% density rule will allow smaller buildings, which will have a reduced impact on the environment than the projects that are currently required by mandating projects build

to 90% of the permitted density. The change to the density bonus concessions only makes administrative changes regarding the review authority for on-menu and off-menu concessions. All bonuses and concessions provided for under state law remain available. Furthermore, the change to review authority would not result in any change to projects, but would instead regulate who approves certain projects, which is an administrative change.

SECTION 5. The City Council of the City of West Hollywood hereby finds that Zone Text Amendment 2017-0013 is consistent with the Goals and Policies of the General Plan, specifically Goal LU-1, which calls for maintaining an urban form and land use pattern that enhances quality of life and meets the community's vision for its future. The zone text amendments are also consistent with Goal LU-9, which encourages multi-family residential neighborhoods that are well maintained and landscaped, and include a diversity of housing types and architectural designs, Goal H-3, which encourages a diverse housing stock to address the needs of all socioeconomic segments of the community and Goal H-4, which states there should be adequate opportunities for new construction of housing. The subject zone text amendments provide developers with a wider range of options for development of sites in the R3 and R4 Districts, with incentives and the allowance for smaller projects where they did not exist before. While smaller buildings do not push the city towards its housing goals as quickly, a varied landscape of residential projects will further enhance the city's neighborhoods and urban pattern, providing a range of choices for a variety of socioeconomic segments.

SECTION 6. Section 19.06.080 R3 and R4 Zoning District Development Standards – Required Density of Chapter 19.06 of Title 19 is amended to read as follows:

All new residential projects in the R3 and R4 zoning districts shall be built to have no net loss in dwelling units, unless the number of existing dwelling units is greater than allowed by zoning, in which case the project shall build to the maximum number of units allowed by the residential density requirements in Section 19.06.040. This provision shall apply only if all existing dwelling units on the site are demolished and new dwelling units are constructed.

SECTION 7. Section 19.22.030E(2), Available Concessions, of Chapter 19.22 of Title 19 is amended to read as follows:

2. Available Concessions. The following concessions may be requested:
  - a. Ten percent reduction in the minimum rear yard setback; or
  - b. Ten percent reduction in the minimum front yard setback; or
  - c. Ten percent reduction in the minimum side yard setback on one side; or
  - d. Ten percent reduction in total common open space required; or
  - e. Ten percent reduction in private open space for up to 50 percent of the units.
  - f. An additional story, not to exceed 10 feet of total project height or other regulatory concessions that result in identifiable, and actual cost reductions to

provide for affordable housing costs or for rents for the affordable units as specified in Government Code Section 65915.

SECTION 8. A new Subsection 19.22.030E(4), Review Authority, of Chapter 19.22 of Title 19 is added to read as follows:

4. Review Authority:

- a. The review authority for requests for concessions under this subsection (f) shall be the Planning Commission.
- b. The review authority for requests for concessions under subsection a-e will be reviewed based on the number of unit threshold detailed in Table 4.2.

SECTION 9. Subsection 19.22.030E(3)(a) of Chapter 19.22 of Title 19 is amended to read as follows:

- a. The concession or incentive does not result in identifiable and actual cost reduction to provide for affordable housing costs, or for rents for the targeted units to be set as specified in Section 65915 of the California Government Code;

SECTION 10. Table 4-2, Development Permit Review Authority, in Section 19.48.030 of Chapter 19.48 of Title 19 is amended to read as follows:

TABLE 4-2: DEVELOPMENT PERMIT REVIEW AUTHORITY

Type of Use or Project	Review Authority	
	Director	Commission
<b>Residential Zoning Districts</b>		
Residential project: Any project in R1 and R2 zones 6 or fewer units in R3 zones, except condominiums 10 or fewer units in R4 zones, except condominiums	X	
Residential project: 7 or more units in R3 zones 11 or more units in R4 zones Any project that utilizes affordable housing concession 19.22.050E2(f)		X
Residential condominiums		X

SECTION 11. Based on the foregoing, the City Council of the City of West Hollywood hereby approves Zone Text Amendment 2017-0013.

## Index to Zoning Code Changes

Code Section	Equivalent Section in Current Code	Description of Change
<p><i>Article 19-2 Zoning Districts and Allowable Land Uses</i>  <i>Chapter 19.06 Residential Zone Districts</i></p>		
19.06.080: R3 and R4 Zoning District Development Standards – Required Density	19.06.080	Modify to eliminate 90% density requirement, and require no net loss of units, with Director exemption
<p><i>Article 19-3 Site Planning and General Development Standards</i>  <i>Chapter 19.22 Affordable Housing Requirements and Incentives</i>  <i>19.22.030 Affordable Housing Concessions</i></p>		
19.22.050E(2), Available Concessions 19.22.050E(4), Review Authority Subsection 19.22.050E(3)(a)	19.22.030	Modify Subsection E(2) to eliminate (a) height concession and add language on cost reduction;  Add Subsection E(4) to clarify review authority;  Modify Subsection E3a to clarify cost reduction language.
<p><i>Article 19-4 Land Use and Development Permit Procedures</i>  <i>Chapter 19.48 Development Permits</i>  <i>Section 19.48.030 Review Authority</i></p>		
Table 4-2, Development Permit Review Authority	Table 4-2	Modify Table 4-2, Residential Projects, to change the threshold for Director or Commission review

**SUBJECT:** ZONE TEXT AMENDMENT TO AMEND DENSITY REQUIREMENTS FOR R3 AND R4 DISTRICTS; TO AMEND THE DENSITY BONUS CONCESSION MENU; AND TO AMEND THE APPLICABLE REVIEWING BODIES IN THE DEVELOPMENT REVIEW PROCESS

**PREPARED BY:** DEPARTMENT OF COMMUNITY DEVELOPMENT  
(Bianca Siegl, Long Range & Mobility Planning Manager)  
(Rachel Dimond, AICP, Senior Planner)

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### **SUMMARY OF THE REQUEST**

The Planning Commission will hold a public hearing to consider an amendment to the Zoning Ordinance to eliminate the 90% density requirements for R3 and R4 Districts, amend the density bonus concession menu, and to streamline the review process for certain multi-family residential projects that conform to the City's height and density requirements.

### **STAFF RECOMMENDATION**

Staff recommends the Planning Commission hold a public hearing, listen to all pertinent testimony, and adopt the following resolution:

- 1) Draft Resolution No. PC 17-1235: **"A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WEST HOLLYWOOD, RECOMMENDING TO THE CITY COUNCIL APPROVAL OF A ZONE TEXT AMENDMENT AMENDING PORTIONS OF TITLE 19, WEST HOLLYWOOD ZONING ORDINANCE, TO AMEND THE 90% DENSITY REQUIREMENTS FOR R3 AND R4 DISTRICTS; TO AMEND THE DENSITY BONUS CONCESSION MENU; AND TO AMEND THE APPLICABLE REVIEWING BODIES IN THE DEVELOPMENT REVIEW PROCESS, WEST HOLLYWOOD, CALIFORNIA. (EXHIBIT A)**

### **BACKGROUND**

In response to concerns regarding redevelopment in multi-family neighborhoods, a 2016 survey of West Hollywood residents was conducted and indicated the need for affordable housing while identifying concerns regarding neighborhood compatibility of new buildings. The City Council then directed staff to move forward with targeted zone text amendments to address the major concerns identified in the survey. The key directives from City Council focused on the following changes to zoning policy in multi-family neighborhoods:

1. Eliminating the existing 90% density requirement;
2. Addressing height of new development in R3 and R4; and
3. Streamlining the development review process to incentivize projects that do not request height bonuses.



## **ANALYSIS**

### **Eliminate 90% Density Requirements:**

In 2009, the City established a requirement for all projects in the R3 and R4 Districts to maximize base density by requiring that new development projects construct to 90% of the maximum number of units required. For example, lots that are permitted a maximum of 20 units by zoning standards were required to build a minimum of 18 units when redeveloping a site. At the same time, the City also established a maximum average unit size in the R3 and R4 Districts to limit the size of dwelling units. The purpose of these requirements were to ensure that the City's multi-unit zones were utilized for high density development, which would help to meet the City's housing goals, prevents the loss of units, and encourage smaller units, helping to maintain adequate housing supply. However, the 90% density requirement limited the redevelopment of certain sites that cannot accommodate denser projects due to site constraints. It also limited developers to building larger projects that, in some cases, may not be compatible with the surrounding neighborhood.

State density bonus law requires cities to allow projects that provide certain amounts of affordable housing to get a bonus in the form of an increase the allowable number of units. Since the 90% density requirement was enacted for R3 and R4 Districts, projects regularly build over 100% of the density requirement with the utilization of the state density bonus law. For example, if a project is permitted a maximum of 20 units by zoning standards, and that project provides 20% affordable units, or 4 units, as required by the City of West Hollywood, that project is eligible for up to 35% bonus in the overall number of units, or 7 additional units, for a total of 27 units. The additional units could be market rate units, so this project would include 4 affordable units and 23 market rate units.

The Zone Text Amendment proposes the following:

1. Eliminate the 90% density requirement
2. Instead, require no net loss of dwelling units on site, or build the maximum number of units allowed by zoning, whichever is less
3. Allow for the Director to waive no net loss requirements under unusual circumstances

The elimination of the 90% density requirement will allow developers to select the number of units to develop on a site, with more flexibility in the range of units. This will allow developers more flexibility when designing projects to fit the neighborhood. Elimination of the 90% density requirement will also allow redevelopment of complex sites that cannot accommodate parking for higher density projects. The maximum average unit size (1,400 SF in R3 and 1,210 SF in R4) will remain in place and will serve as a control to ensure developers do not build a small number of very large units, thus in contrast to the City's housing goals. The following summarizes the current and proposed regulations:

	<b>Current Regulations</b>	<b>Proposed Regulations</b>
<b>Base Density</b>	R3: 1 unit/1,210 SF lot area R4: 1 unit/ 872 SF lot area	No change
<b>Density</b>	Require 90% of maximum allowed by zoning when all units are demolished	No net loss in units -OR- maximum density whichever is less (Director may waive for unusual circumstances)
<b>Max Average Unit Size</b>	R3: 1,500 SF R4: 1,200 SF	No change

Height in R3 and R4:

The maximum number of stories in the R3 and R4 Districts is between two and four stories, depending on the specific district. R3 and R4 are split into multiple sub-districts, which vary in allowable height but maintain the base R3 and R4 allowable density. Height is dictated in the Zoning Regulations as follows:

<b>Zone District</b>	<b>Maximum Height</b>	<b>Permitted Number of Stories</b>
<b>R3-A</b>	25 feet	2 stories
<b>R3-B</b>	35 feet	3 stories
<b>R3-C</b>	45 feet	4 stories
<b>R4-A</b>	35 feet	3 stories
<b>R4-B</b>	45 feet	4 stories

State density bonus law requires that projects that meet certain affordable housing requirements on site be granted concessions or incentives to help the project incorporate affordable housing. Projects in West Hollywood that utilize the state density bonus are eligible for utilization of certain concessions, including a reduction in setbacks and open space or an increase in height by 1 story or 10 feet. Projects that utilize the additional height concession, thus allowing up to five stories in R3 and R4, have become a source of concern from the community, as these projects may be taller than anticipated by the General Plan.

In order to address height in R3 and R4, staff evaluated a number of options. Staff determined that lowering base height in R3 and R4 would necessitate a review of the General Plan, and would push most projects into utilization of the height density bonus concession. A more effective strategy to address concerns regarding use of the height bonus, while maintaining the City's long-established interest in providing affordable housing, is to amend the concessions regulations.

The proposed amendment to the concessions list will remove the listing of height as the first concession and move it to the “other concessions” category. This would allow the City to highlight setback and open space concessions as the first available options to developers. Concessions like a height bonus will still be available per state law, and will be captured by the “other concessions” category.

The “other concessions” category will also be amended per state law, to only be permitted when it results in “identifiable, financially sufficient, and actual cost reductions to provide for affordable housing costs or for rents for the affordable units as specified in Government Code Section 65915.” Further, the code amendment would require that applicants provide reasonable documentation establishing the eligibility for the concession under state law, which includes what cost reductions result, and how those reductions provide for affordable housing costs or rent. Previously, the City could not ask for specific cost information from the applicant, but updated state law allows for this requirement. This will ensure that all requests for increase in height are specifically tied to the provision of affordable units in the project.

In order to further incentivize projects that utilize setback and open space concessions rather than the height concession, projects that utilize the height concession will be automatically reviewed by the Planning Commission. Projects that are administratively reviewed typically take two months instead of the minimum of three to six months when reviewed by Planning Commission to complete the entitlement process. This will ensure that projects with increased height have a public hearing, but will not preclude such projects in any way. All projects are reviewed by the Urban Designer for compatibility with the neighborhood, and to ensure a strong architectural language and design. All projects reviewed by Planning Commission are additionally reviewed by the Design Review subcommittee, providing an additional layer of design review for buildings with increased height.

#### Streamline the Development Review Process

The entitlement process for development in West Hollywood is complex, with most projects reviewed by the Planning Commission. Projects that are reviewed by Planning Commission typically take at least one to two months longer to review than those that are administratively reviewed. There is an opportunity to incentivize smaller projects by allowing them to be staff approved.

All projects go through the initial development review process, where staff reviews the project for completeness and compliance with applicable zoning regulations and the General Plan, and routes the project to other departments for comment and review. The project also goes through administrative design review, with review by the Urban Designer typically conducted early on in the application submittal process. The Urban Designer works with the project planner and meets with the applicant and project architect to improve the quality of project design and neighborhood compatibility. Projects with five or more residential units are required to have a neighborhood meeting within 60 days of application, and mailers are sent to properties within a 500 foot radius. Projects that are administratively approvable will have a public notice posted on the site, providing 10 days for public comment. This public comment is conveyed to the developer, and major issues are worked out prior to an administrative approval. Administrative approvals typically take between two and three months from application

completeness. Projects that are administratively reviewed can be appealed to the Planning Commission, and that decision can be appealed to the City Council.

Projects that require review by the Planning Commission have a required neighborhood meeting, and then go on to the Design Review Subcommittee, followed by formal review by the Planning Commission. Neighbors within a 500 foot radius are sent a mailed notice, and a public notice is posted to the site 28 days in advance of the public hearing. This process typically takes 90 days from application completeness, with the Permit Streamlining Act allowing up to one extension for a total review period of 180 days. Projects reviewed by the Planning Commission can be appealed to the City Council.

Proposed Project Streamlining: In order to address the directive to streamline the development review process for certain projects, staff recommends administrative review be permitted for slightly larger projects as follows:

	Current Regulations	Proposed Regulations
Staff Review	<ul style="list-style-type: none"> <li>• 4 or fewer units in R1, R2, R3, except condominiums</li> <li>• 8 or fewer units (or 9 units with 1 inclusionary) in R4, except condominiums</li> </ul>	<ul style="list-style-type: none"> <li>• All R1 and R2</li> <li>• 6 or fewer units in R3</li> <li>• 12 or fewer units in R4</li> </ul>
Planning Commission Review	<ul style="list-style-type: none"> <li>• More than 4 units in R1, R2, R3</li> <li>• 9 or more units (10 or more if at least 1 is inclusionary) in R4 zones</li> <li>• Residential condominiums</li> </ul>	<ul style="list-style-type: none"> <li>• 7 or more units in R3 zones</li> <li>• 13 or more units in R4 zones</li> <li>• Tract maps only (the underlying development Project is administratively reviewed)</li> </ul>

Staff recommends increasing the number of units administratively approved in the R3 District to 6 units (previously 4 or less). The reason for proposing the 6 unit threshold is because it represents the maximum base density for a 7500 square foot lot (1 unit/ 1210 sf of lot area), which is typical for the R3 District. Similarly, staff recommends increasing the R4 threshold to 12 units, as it represents a maximum base density for a 10,500 SF lot (1 unit/ 872 sf of lot area), which is also typical in R4 Districts.

Condominium projects require tract map approval, which state law requires to be reviewed by Planning Commission and City Council. Today, condominium projects are reviewed as a package, with development permit and tract maps reviewed by Planning Commission. The proposed text amendment would separate the two items, allowing certain development permits to be reviewed administratively (should they meet the new administrative review criteria), while the tract map is reviewed separately by Planning Commission. For example, the current regulations would require a 3 unit condominium project, including the development permit and the tract map, to be reviewed by the Planning Commission, while the proposed regulations would allow the development permit to be reviewed administratively, while the tract map would be reviewed separately by the Planning Commission.

## Planning Commission Long-Range Planning Subcommittee

The Long-Range Planning Subcommittee discussed the proposed zone text amendments on October 18, 2017. Comments centered on the following, with staff response below each comment:

- Improve neighbor noticing for projects that are administratively approved: While the threshold for administrative review was increased to slightly larger projects, neighbor noticing did not change. Projects that are administratively approved only have on-site noticing. The exception is that projects with 5 or more residential units are also required to have a neighborhood meeting, which triggers a mailing notice being sent to owners and tenants within a 500 foot radius. Should the Commission seek to increase the noticing requirements for administratively approved projects, staff recommends the Planning Commission make the following amendment:
  - Section 19.48.040 shall be amended to require all projects with new construction to send a mailing to properties within 500 feet.
- Allow Director to approve reduced parking instead of loss of units when no net loss in units is not possible: Staff included a provision that allows the Director to waive the no net loss of units requirement for certain sites. Typically, parking is the major constraint to building more units on a site. A commissioner recommended that the Director be able to waive parking requirements instead of waiving the no net loss in units requirement. Staff recommends that parking waivers instead be granted by the Planning Commission when a hardship exists on the site. Should the Planning Commission wish to add this exemption, staff recommends the following amendment:
  - Section 19.06.080 shall be amended to include the following language  
“When no net loss in units is constrained by the inability to provide parking on a site due to unusual circumstances, the Director may waive or reduce parking requirements on a site to ensure no net loss in units on the site.
- Concern over lack of review authority by Planning Commission for a larger portion of development projects: The subcommittee expressed concern over limiting the Planning Commission’s review authority for certain projects, including condominiums, and larger development projects. In response to the subcommittee’s concern that too many projects could be administratively approved, there was one change made to the proposed zone text amendment. The previous version of zone text amendments allowed projects that did not utilize the state density bonus of any size to be administratively reviewed. While this may have provided an incentive to not utilize the state density bonus, it could have allowed much larger projects that comply with zoning to be administratively reviewed. For example, a project on a large lot could propose 100 units as permitted by base zoning, and the previous version of the text amendment would have allowed this project to be reviewed on a staff level. Instead, review authority is determined by project size or use of the other concessions category. The proposed changes do reduce the review authority of the Planning Commission, as requested by the City Council.

## **PUBLIC NOTICE**

The City published a legal notice in the Beverly Press and West Hollywood Independent on November 2, 2017.

## **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

The zone text changes are Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. No possibility exists that the proposed zone text amendments will have a significant effect on the environment. Specifically, the elimination of the 90% density rule will allow smaller buildings, which will have a reduced impact on the environment than the projects that are currently required by mandating projects build to 90% of the permitted density. The change to the density bonus concessions only makes administrative changes regarding the review authority for on-menu and off-menu concessions. All bonuses and concessions provided for under state law remain available. Furthermore, the change to review authority would not result in any change to projects, but would instead regulate who approves certain projects, which is an administrative change.

## **GENERAL PLAN CONSISTENCY**

The proposed zone text amendments are consistent with the Goals and Policies of the General Plan, specifically Goal LU-1, which calls for maintaining an urban form and land use pattern that enhances quality of life and meets the community's vision for its future. The zone text amendments are also consistent with Goal LU-9, which encourages multi-family residential neighborhoods that are well maintained and landscaped, and include a diversity of housing types and architectural designs, Goal H-3, which encourages a diverse housing stock to address the needs of all socioeconomic segments of the community and Goal H-4, which states there should be adequate opportunities for new construction of housing. The subject zone text amendments provide developers with a wider range of options for development of sites in the R3 and R4 Districts, with incentives and the allowance for smaller projects where they did not exist before. While smaller buildings do not push the city towards its housing goals as quickly, a varied landscape of residential projects will further enhance the city's neighborhoods and urban pattern, providing a range of choices for a variety of socioeconomic segments.

## **EXHIBITS**

- A. Draft Resolution No. PC 17-1235
- B. Index of Zoning Code Changes

Planing Commission November 16, 2017

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**RESOLUTION NO. PC 17- 1235**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WEST HOLLYWOOD, RECOMMENDING TO THE CITY COUNCIL APPROVAL OF A ZONE TEXT AMENDMENT AMENDING PORTIONS OF TITLE 19, WEST HOLLYWOOD ZONING ORDINANCE, TO AMEND THE 90% DENSITY REQUIREMENTS FOR R3 AND R4 DISTRICTS; TO AMEND THE DENSITY BONUS CONCESSION MENU; AND TO AMEND THE APPLICABLE REVIEWING BODIES IN THE DEVELOPMENT REVIEW PROCESS, WEST HOLLYWOOD, CALIFORNIA.**

The Planning Commission for the City of West Hollywood hereby finds, resolves, and orders as follows:

SECTION 1. On June 5, 2017, the City Council directed staff to address concerns in the community regarding development projects in multi-family zoned neighborhoods. Council directed staff to reduce the 90% density requirements for the R3 and R4 Districts, streamline the development review process for certain projects, and to address height in R3 and R4 zones.

SECTION 2. A public hearing was duly noticed for the Planning Commission meeting of November 18, 2017 by publication in the Beverly Press newspaper, the West Hollywood Independent Newspaper, and the City website and by announcement on City Channel 6 by November 2, 2017.

SECTION 3. The zone text changes are Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The zone text changes are Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. No possibility exists that the proposed zone text amendments will have a significant effect on the environment. Specifically, the elimination of the 90% density rule will allow smaller buildings, which will have a reduced impact on the environment than the projects that are currently required by mandating projects build to 90% of the permitted density. The change to the density bonus concessions only makes administrative changes regarding the review authority for on-menu and off-menu concessions. All bonuses and concessions provided for under state law remain available. Furthermore, the change to review



authority would not result in any change to projects, but would instead regulate who approves certain projects, which is an administrative change.

SECTION 4. The Planning Commission of the City of West Hollywood hereby finds that Zone Text Amendment 2017-1235 is consistent with the Goals and Policies of the General Plan, specifically Goal LU-1, which calls for maintaining an urban form and land use pattern that enhances quality of life and meets the community's vision for its future. The zone text amendments are also consistent with Goal LU-9, which encourages multi-family residential neighborhoods that are well maintained and landscaped, and include a diversity of housing types and architectural designs, Goal H-3, which encourages a diverse housing stock to address the needs of all socioeconomic segments of the community and Goal H-4, which states there should be adequate opportunities for new construction of housing. The subject zone text amendments provide developers with a wider range of options for development of sites in the R3 and R4 Districts, with incentives and the allowance for smaller projects where they did not exist before. While smaller buildings do not push the city towards its housing goals as quickly, a varied landscape of residential projects will further enhance the city's neighborhoods and urban pattern, providing a range of choices for a variety of socioeconomic segments.

SECTION 5. Based on the foregoing, the Planning Commission of the City of West Hollywood hereby recommends approval to the City Council of Zone Text Amendment 2017-1235, which is attached hereto as Attachment A.

**PASSED, APPROVED AND ADOPTED** by the Planning Commission of the City of West Hollywood at a regular meeting held this 16<sup>TH</sup> day of November, 2017 by the following vote:

AYES:           Commissioner:

NOES:           Commissioner:

ABSENT:       Commissioner:

ABSTAIN:       Commissioner:

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SUE BUCKNER, CHAIRPERSON

ATTEST:

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BIANCA SIEGL, PLANNING MANAGER  
LONG RANGE AND MOBILITY PLANNING

*Decisions of the Planning Commission are subject to appeal in accordance with the procedures set forth in West Hollywood Municipal Code Chapter 19.76. Any action to challenge the final decision of the City of West Hollywood made as a result of the public hearing on this application must be filed within the time limits set forth in Code of Civil Procedure Section §1094.6.*

# Attachment A

(New text indicated with underline, deleted text with ~~strikethrough~~.)

**Section 1.** Section 19.06.080 R3 and R4 Zoning District Development Standards – Required Density of Chapter 19.06 of Title 19 is amended to read as follows:

All new residential projects in the R3 and R4 zoning districts shall be built to have no net loss in dwelling units, unless the number of existing dwelling units is greater than allowed by zoning, in which case the project shall build to the maximum number of units allowed by the residential density requirements in Section 19.06.040. The director may approve a reduction in required units where unusual conditions do not allow redevelopment of a site with no net loss in units. ~~a minimum of the 90% of the density allowed by the zoning district. Notwithstanding the provisions of Section 19.22.040(A), if the maximum allowable density allows 11 units, an on-site inclusionary unit shall be incorporated into a project consisting of 10 units.~~ This provision shall apply only if all existing dwelling units on the site are demolished and new dwelling units are constructed.

**Section 2.** Section 19.22.050E(2), Available Concessions, of Chapter 19.22 of Title 19 is amended to read as follows:

2. Available Concessions. The following concessions may be requested:
  - ~~a. An additional story, not to exceed 10 feet of total project height; or~~
  - ~~b. a.~~ a. Ten percent reduction in the minimum rear yard setback; or
  - ~~c.~~ b. Ten percent reduction in the minimum front yard setback; or
  - ~~d.~~ c. Ten percent reduction in the minimum side yard setback on one side; or
  - ~~e.~~ d. Ten percent reduction in total common open space required; or
  - ~~f.~~ e. Ten percent reduction in private open space for up to 50 percent of the units.
  - ~~g.~~ f. Other regulatory concessions that result in identifiable financially sufficient, and actual cost reductions to provide for affordable housing costs or for rents for the affordable units as specified in Government Code Section 65915. The applicant shall provide reasonable documentation establishing the eligibility for the concession under state law, which includes what cost reductions result, and how those reductions provide for affordable housing costs or rent.

**Section 3.** Section 19.22.050E(4), Review Authority, of Chapter 19.22 of Title 19 is added to read as follows:

**4. Review Authority:**

- a. The review authority for requests for concessions under this subsection (f) shall be the Planning Commission.
- b. The review authority for requests for concessions under subsection a-e will be reviewed based on the number of unit threshold detailed in Table 4.2.

**Section 4.** Subsection 19.22.050E(3)(a) of Chapter 19.22 of Title 19 is amended to read as follows:

- a. The concession or incentive ~~is not required in order to~~ does not result in identifiable and actual cost reduction to provide for affordable housing costs, or for rents for the targeted units to be set as specified in Section 65915 of the California Government Code;

**Section 5.** Table 4-2, Development Permit Review Authority, in Section 19.48.030 of Chapter 19.48 of Title 19 is amended to read as follows:

TABLE 4-2: DEVELOPMENT PERMIT REVIEW AUTHORITY

Type of Use or Project	Review Authority	
	Director	Commission
<b>Residential Zoning Districts</b>		
Residential project: <del>4 or fewer units in R1, R2 &amp; R3 zones, except condominiums</del> <del>8 or fewer units in R4 zones (or 9 units where one is inclusionary), except condominiums</del> <u>Any project in R1 and R2 zones</u> <u>6 or fewer units in R3 zones</u> <u>12 or fewer units in R4 zones</u>	X	
Residential project: <del>5 or more units in R1, R2 &amp; R3 zones</del> <del>9 or more units (10 or more if at least 1 is inclusionary) in R4 zones</del> <u>7 or more units in R3 zones</u> <u>13 or more units in R4 zones</u> <u>Any project that utilizes affordable housing concession 19.22.050E2f (Other concessions not listed)</u>		X
<u>Residential condominiums tract maps only (the underlying development project is reviewed based on the project characteristics as set forth herein)</u>		X

Planing Commission - November 16, 2017

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### Index to Zoning Code Changes

Code Section	Equivalent Section in Current Code	Description of Change
<p><i>Article 19-2 Zoning Districts and Allowable Land Uses</i>  <i>Chapter 19.06 Residential Zone Districts</i></p>		
19.06.080: R3 and R4 Zoning District Development Standards – Required Density	19.06.080	Modify to eliminate 90% density requirement, and require no net loss of units, with Director exemption
<p><i>Article 19-3 Site Planning and General Development Standards</i>  <i>Chapter 19.22 Affordable Housing Requirements and Incentives</i>  <i>19.22.030 Affordable Housing Concessions</i></p>		
19.22.050E(2), Available Concessions 19.22.050E(4), Review Authority Subsection 19.22.050E(3)(a)	19.22.030	Modify Subsection E(2) to eliminate (a) height concession and add language on cost reduction; Add Subsection E(4) to clarify review authority; Modify Subsection E3a to clarify cost reduction language.
<p><i>Article 19-4 Land Use and Development Permit Procedures</i>  <i>Chapter 19.48 Development Permits</i>  <i>Section 19.48.030 Review Authority</i></p>		
Table 4-2, Development Permit Review Authority	Table 4-2	Modify Table 4-2, Residential Projects, to change the threshold for Director or Commission review



**PLANNING COMMISSION  
SUMMARY ACTION MINUTES  
Regular Meeting  
November 16, 2017**

West Hollywood Park Public Meeting Room – Council Chambers  
625 N. San Vicente Boulevard, West Hollywood, California 90069

*THE CITY OF WEST HOLLYWOOD HAS ADOPTED BRIEF SUMMARY AND ACTION MEETING MINUTES; WHICH PROVIDE A SUMMARY OF THE ACTIONS TAKEN AND POINTS OF DISCUSSION ONLY. ADDITIONAL COMMENTS OR DISCUSSION REGARDING ANY ITEM SUMMARIZED IN THESE MINUTES MAY BE OBTAINED BY VIEWING THE ARCHIVED VIDEOS OF THE PLANNING COMMISSION MEETINGS AT [www.weho.org/weho-tv/other-city-meetings](http://www.weho.org/weho-tv/other-city-meetings)*

1. **CALL TO ORDER:** Chair Buckner called the meeting of the Planning Commission to order at 6:31 P.M.

2. **PLEDGE OF ALLEGIANCE:** David Gillig led the Pledge of Allegiance.

3. **ROLL CALL:**

Commissioners Present: Aghaei, Altschul, Bass, Carvalheiro, Hoopingarner, Vice-Chair Jones, Chair Buckner.

Commissioners Absent: None.

Staff Present: Antonio Castillo, Associate Planner, Laurie Yelton, Associate Planner, Rachel Dimond, Senior Planner, Gwynne Pugh, Contract Urban Designer, David DeGrazia, Current and Historic Preservation Planning Manager, Bianca Siegl, Long Rand and Mobility Planning Manager, Lauren Langer, Acting Assistant City Attorney and David Gillig, Commission Secretary.

4. **APPROVAL OF AGENDA.**

**ACTION:** Approve the Planning Commission Agenda of Thursday, November 16, 2017 as presented. **Moved by Commissioner Aghaei, seconded by Vice-Chair Jones and unanimously passes.**

5. **APPROVAL OF MINUTES.**

**A. October 19, 2017**

Commission secretary Gillig read into the record the following paragraph as amended on page 10 of 13: *“Catch Restaurant has had three special events since June; two were approved by the City of West Hollywood, and one was unapproved. Staff clarified all three would count towards their four event limit. The City has received five complaints from these events. They have only received violations for special events.”*

**THE COMMISSION TOOK A FIVE (5) MINUTE RECESS AT 7:50 P.M. AND RECONVENED AT 7:55 P.M.**

**D. Zone Text Amendment: Multi-Family R3 and R4 Zones:**

Rachel Dimond, Senior Planner, provided a verbal presentation and background information, as presented in the staff report dated Thursday, November 16, 2017.

She stated the zone text amendments are to amend density requirements for R3 and R4 Districts; to amend the density bonus concession menu; and to amend the applicable reviewing bodies in the development review process.

She provided a history, proposed examples and detailed the 90% density requirements, height in R3 and R4 districts, affordable housing concessions, development review authority, approval process, and addressed concerns from the public.

Lauren Langer, Acting Assistant City Attorney, detailed and clarified the language of the State density bonus law.

Chair Buckner opened public comment for Item 10.D.:

EDWARD LEVIN, WEST HOLLYWOOD has concerns regarding this item. He spoke in support of the elimination of the 90% minimum density requirements, and recommended setting the threshold for commission review at 11 units. He spoke regarding the R3 and R4 districts, concessions, and the State density bonus law.

Discussion, clarifications, concerns, and contextual examples were held regarding height concessions, development standards, impacts of density bonuses, density guidelines, subdivision tract maps, elimination of the 90% density bonus, streamlining the review authority, variances, modifications, and improved and tiered noticing.

**Commissioner Hoopingarner moved to approve staff's recommendation on the 90% density requirement; and would like staff to revisit the height and development review authority proposals; based upon all the comments received, and to consider the height component; including the task force component, and addressing it with some of the experts in the community that the City Council identified.**

**Seconded by Vice-Chair Jones.**

The commission had concerns regarding the task force component, and the overall recommendation to City Council.



**Commissioner Hoopingarner amended her motion to exclude the task force component.**

Lauren Langer, Acting City Attorney, clarified the motion on the floor: recommending Section 1; and Sections 2, 3, 4 and 5 shall be tabled for further discussion.

**MOTION FAILS.**

**Commissioners Aghaei, Altschul, Bass, Carvalheiro, and Chair Bucker voting NO.**

The commission continued discussion and debate on the possible recommendations, and took the following straw polls to arrive at a consensus for final recommendation to City Council:

Section 1: Recommend approval with the elimination of the following sentence: *a) the Director may approve a reduction in required units where unusual conditions do not allow redevelopment of a site with no net loss in units.*

**STRAW POLL: 6 AYES. 1 NAY (Carvalheiro)**

Section 2: Recommend approval with subsection (a) language moved in front of new subsection (f) and elimination of the following sentence: *a) the applicant shall provide reasonable documentation establishing the eligibility for the concession under state law, which includes what cost reductions result, and how those reductions provide for affordable housing costs or rent.*

**STRAW POLL: 5 AYES. 2 NAYS (Jones, Bass)**

Section 3: Recommend approval as presented.

**STRAW POLL: 5 AYES. 2 NAYS (Jones, Hoopingarner)**

Section 4: Recommend approval as presented.

**STRAW POLL: 7 AYES. None opposed.**

Section 5: Recommend approval with amended threshold for Planning Commission review of projects in R4 to eleven units (consistent with the threshold under the inclusionary ordinance for providing affordable units onsite and not utilizing the in-lieu fee option), and retaining existing language that all condominium projects (map and development permit) be reviewed by Planning Commission.

**STRAW POLL: 6 AYES. 1 NAY (Hoopingarner)**

**Commissioner Bass moved to bring back a resolution, noting the direction and changes as discussed.**

**Seconded by Commissioner Aghaei.**

**ACTION:** 1) Bring back a resolution recommending to the City Council approval of a zone text amendment amending portions of Title 19, West Hollywood Zoning Ordinance, to amend the 90% density requirements for R3 and R4 Districts; to amend the density bonus concession menu; and to amend the applicable reviewing bodies in the development review process; 2) including all the recommendations and changes as discussed; and 3) noting the individual straw poll votes in the City Council staff report. **Moved by Commissioner Bass, seconded by Commissioner Aghaei and unanimously passes.**

**11. NEW BUSINESS.**

**A. Discussion and Approval of Planning Commission and Design Review Subcommittee Meeting Dates for Calendar Year 2018.**

**ACTION:** 1) Officially cancel the Planning Commission meetings for calendar year 2018 as follows: a) JANUARY 4, 2018; b) JULY 5, 2018; c) DECEMBER 6, 2018, and d) DECEMBER 20, 2018. **Moved by Commissioner Aghaei, seconded by Vice-Chair Jones and unanimously passes.**

**ACTION:** 2) Officially cancel the Planning Commission Design Review Subcommittees meetings for calendar year 2018 as follows: a) NOVEMBER 22, 2018; and b) DECEMBER 27, 2018. **Moved by Commissioner Aghaei, seconded by Vice-Chair Jones and unanimously passes.**

**12. UNFINISHED BUSINESS. None.**

**13. EXCLUDED CONSENT CALENDAR. None.**

**14. ITEMS FROM STAFF.**

**A. Planning Manager's Update. None.**

**15. PUBLIC COMMENT.**

EDWARD LEVIN, WEST HOLLYWOOD suggested a study session on Government Code Section §65915 (State Density Bonus).

**16. ITEMS FROM COMMISSIONERS.**

Vice-Chair Jones suggested Government Code Section §65915 regarding the State Density Bonus be added to a future training session.

Commissioner Hoopingarner requested page numbers on all future staff reports and identifying information on all other document pages; i.e. Green Building pages.

Commissioner Altschul thanked staff for all the work they do.


**PASSED, APPROVED AND ADOPTED** by the Planning Commission of the City of West Hollywood at a regular meeting held this 7<sup>th</sup> day of December, 2017 by the following vote:

**AYES:** Commissioner: Aghaei, Altschul, Bass, Carvalheiro, Hoopingarner, Vice-Chair Jones, Chair Buckner.

**NOES:** Commissioner: None.

**ABSENT:** Commissioner: None.

**ABSTAIN:** Commissioner: None.



SUE BUCKNER, CHAIRPERSON

ATTEST:



DAVID K. GILLIG, COMMISSION SECRETARY

**RESOLUTION NO. PC 17- 1235**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WEST HOLLYWOOD, RECOMMENDING TO THE CITY COUNCIL APPROVAL OF A ZONE TEXT AMENDMENT AMENDING PORTIONS OF TITLE 19, ZONING ORDINANCE, TO AMEND THE 90% DENSITY REQUIREMENTS FOR R3 AND R4 DISTRICTS; TO AMEND THE DENSITY BONUS CONCESSION MENU; AND TO AMEND THE APPLICABLE REVIEWING BODIES IN THE DEVELOPMENT REVIEW PROCESS, WEST HOLLYWOOD, CALIFORNIA.**

The Planning Commission for the City of West Hollywood hereby finds, resolves, and orders as follows:

**SECTION 1.** On June 5, 2017, the City Council directed staff to address concerns in the community regarding development projects in multi-family zoned neighborhoods. Council directed staff to reduce the 90% density requirements for the R3 and R4 Districts, streamline the development review process for certain projects, and to address height in R3 and R4 zones.

**SECTION 2.** A public hearing was duly noticed for the Planning Commission meeting of November 16, 2017 by publication in the Beverly Press newspaper, the West Hollywood Independent Newspaper, and the City website and by announcement on City Channel 6 by November 2, 2017. The Planning Commission held a public hearing on November 16, 2017, and directed staff to return with a resolution recommending approval of the Zone Text Amendment with changes. The resolution was approved on the consent calendar on November 30, 2017.

**SECTION 3.** The zone text changes are Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The zone text changes are Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. No possibility exists that the proposed zone text amendments will have a significant effect on the environment. Specifically, the elimination of the 90% density rule will allow smaller buildings, which will have a reduced impact on the

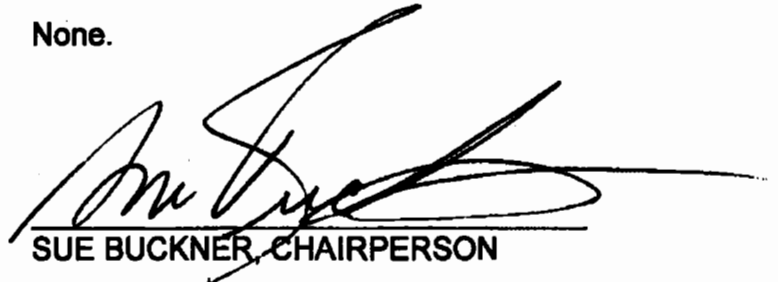
environment than the projects that are currently required by mandating projects build to 90% of the permitted density. The change to the density bonus concessions only makes administrative changes regarding the review authority for on-menu and off-menu concessions. All bonuses and concessions provided for under state law remain available. Furthermore, the change to review authority would not result in any change to projects, but would instead regulate who approves certain projects, which is an administrative change.

**SECTION 4.** The Planning Commission of the City of West Hollywood hereby finds that Zone Text Amendment 2017-1235 is consistent with the Goals and Policies of the General Plan, specifically Goal LU-1, which calls for maintaining an urban form and land use pattern that enhances quality of life and meets the community's vision for its future. The zone text amendments are also consistent with Goal LU-9, which encourages multi-family residential neighborhoods that are well maintained and landscaped, and include a diversity of housing types and architectural designs, Goal H-3, which encourages a diverse housing stock to address the needs of all socioeconomic segments of the community and Goal H-4, which states there should be adequate opportunities for new construction of housing. The subject zone text amendments provide developers with a wider range of options for development of sites in the R3 and R4 Districts, with incentives and the allowance for smaller projects where they did not exist before. While smaller buildings do not push the city towards its housing goals as quickly, a varied landscape of residential projects will further enhance the city's neighborhoods and urban pattern, providing a range of choices for a variety of socioeconomic segments.

**SECTION 5.** Based on the foregoing, the Planning Commission of the City of West Hollywood hereby recommends approval to the City Council of Zone Text Amendment 2017-1235, which is attached hereto as Attachment A.

**PASSED, APPROVED AND ADOPTED** by the Planning Commission of the City of West Hollywood at a special meeting held this 30<sup>th</sup> day of November, 2017 by the following vote:

AYES:	Commissioner:	Aghaei, Altschul, Bass, Carvalho, Hoopingarner, Chair Buckner.
NOES:	Commissioner:	None.
ABSENT:	Commissioner:	Vice-Chair Jones.
ABSTAIN:	Commissioner:	None.



SUE BUCKNER, CHAIRPERSON

ATTEST:



BIANCA SIEGL, PLANNING MANAGER  
LONG RANGE AND MOBILITY PLANNING

*Decisions of the Planning Commission are subject to appeal in accordance with the procedures set forth in West Hollywood Municipal Code Chapter 19.76. Any action to challenge the final decision of the City of West Hollywood made as a result of the public hearing on this application must be filed within the time limits set forth in Code of Civil Procedure Section §1094.6.*

# Attachment A

(New text indicated with underline, deleted text with ~~strikethrough~~.)

## Attachment A

(New text indicated with underline, deleted text with ~~strikethrough~~.)

**Section 1.** Section 19.06.080 R3 and R4 Zoning District Development Standards – Required Density of Chapter 19.06 of Title 19 is amended to read as follows:

All new residential projects in the R3 and R4 zoning districts shall be built to have no net loss in dwelling units, unless the number of existing dwelling units is greater than allowed by zoning, in which case the project shall build to the maximum number of units allowed by the residential density requirements in Section 19.06.040. ~~a minimum of the 90% of the density allowed by the zoning district. Notwithstanding the provisions of Section 19.22.040(A), if the maximum allowable density allows 11 units, an on-site inclusionary unit shall be incorporated into a project consisting of 10 units.~~ This provision shall apply only if all existing dwelling units on the site are demolished and new dwelling units are constructed.

**Section 2.** Section 19.22.030E(2), Available Concessions, of Chapter 19.22 of Title 19 is amended to read as follows:

2. Available Concessions. The following concessions may be requested:
  - ~~a. An additional story, not to exceed 10 feet of total project height; or~~
  - ~~b. a.~~ a. Ten percent reduction in the minimum rear yard setback; or
  - ~~c.~~ b. Ten percent reduction in the minimum front yard setback; or
  - ~~d.~~ c. Ten percent reduction in the minimum side yard setback on one side; or
  - ~~e.~~ d. Ten percent reduction in total common open space required; or
  - ~~f.~~ e. Ten percent reduction in private open space for up to 50 percent of the units.
  - ~~g.~~ f. An additional story, not to exceed 10 feet of total project height or Other regulatory concessions that result in identifiable financially sufficient, and actual cost reductions to provide for affordable housing costs or for rents for the affordable units as specified in Government Code Section 65915.

**Section 3.** A new Subsection 19.22.030E(4), Review Authority, of Chapter 19.22 of Title 19 is added to read as follows:

4. Review Authority:

- a. The review authority for requests for concessions under this subsection (f) shall be the Planning Commission.
- b. The review authority for requests for concessions under subsection a-e will be reviewed based on the number of unit threshold detailed in Table 4.2.

**Section 4.** Subsection 19.22.030E(3)(a) of Chapter 19.22 of Title 19 is amended to read as follows:

- a. ~~The concession or incentive is not required in order to~~ does not result in identifiable and actual cost reduction to provide for affordable housing costs, or for rents for the targeted units to be set as specified in Section 65915 of the California Government Code;

**Section 5.** Table 4-2, Development Permit Review Authority, in Section 19.48.030 of Chapter 19.48 of Title 19 is amended to read as follows:

**TABLE 4-2: DEVELOPMENT PERMIT REVIEW AUTHORITY**

Type of Use or Project	Review Authority	
	Director	Commission
<b>Residential Zoning Districts</b>		
Residential project: <del>4 or fewer units in R1, R2 &amp; R3 zones, except condominiums</del> <del>8 or fewer units in R4 zones (or 9 units where one is inclusionary), except condominiums</del> <u>Any project in R1 and R2 zones</u> <u>6 or fewer units in R3 zones, except condominiums</u> <u>10 or fewer units in R4 zones, except condominiums</u>	X	
Residential project: <del>5 or more units in R1, R2 &amp; R3 zones</del> <del>9 or more units (10 or more if at least 1 is inclusionary) in R4 zones</del> <u>7 or more units in R3 zones</u> <u>11 or more units in R4 zones</u> <u>Any project that utilizes affordable housing concession 19.22.050E2f (Other concessions not listed)</u>		X
Residential condominiums		X